

## FOR BOARD ACTION

Agenda Item # 3.b.

Meeting Date:

2/22/11

**SUBJECT:**

Consideration of Quotations – U4 Boiler Economizer Repair - 2011

**PREPARED BY:**

Tom Williamson, Sr. Mechanical Engineer  
Bob Ledebuhr, C.P.M., Materials Manager/Contract Administrator

ITEM DESCRIPTION:

Quotations were received on February 15, 2011. The work scope includes non-destructive testing of material thickness, insulation removal and replacement, boiler panel removal and replacement, pad welding tubing, and unit prices for bend replacements. On-site work is scheduled for the outage in March 2011.

Four quotations were received and all were acceptable. The Jamar Company offered the lowest base price quote at \$27,900. Evaluation of quotes was performed by staff. The base price includes only pad welding existing tubes. Since it is not practical to determine the extent of pad welding in advance of the outage, and the unit prices quoted are very reasonable, the scope of the project will be modified to include replacement of up to 48 U-Bends. The additional work is a part of the vendor's unit price quotation and the only change is the timing of the decision to replace U-Bends. Originally, the decision was to be made after the outage work started.

Bid tabulation and information is summarized on the attached page.

FOR CAPITAL PURCHASES/BIDS/MAJOR PROJECTS:

The project is a Power Resources Allocation Budget for 2011. The cost of this work is within the allocated funds. The decision was made to repair the economizer instead of replacing it in order to reduce the overall cost.

UTILITY BOARD ACTION REQUESTED:

Management recommends that the Utility Board approve a purchase order agreement with The Jamar Company up to the amount of \$73,548 to perform the work.

  
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General Manager

2-17-11  
Date

**Rochester Public Utilities**  
**Tabulation for Quotations Received February 15, 2010**

**U4 Boiler Economizer Repair 2010**

	<b>AZCO</b>	<b>Jamar</b>	<b>Moorhead</b>	<b>Wrigley</b>
<b>Base Quotation</b>	\$34,568	\$27,800	\$33,652	\$56,719
<b>Sales Tax</b>	\$135	\$100	\$247	\$256
<b>Total</b>	\$34,703	\$27,900	\$33,900	\$56,975
<b>Unit Price U-Bend</b>	\$1,574	\$951	\$2,400	\$765
<b>Cost for 48 U-Bends</b>	\$75,552	\$45,648	\$115,200	\$36,720
<b>Total including 48 Bends</b>	\$110,255	\$73,548	\$149,100	\$93,695



## RESOLUTION

BE IT RESOLVED by the Public Utility Board of the City of Rochester, Minnesota, to approve a purchase order agreement with The Jamar Company for:

Unit 4 Economizer Repair  
Silver Lake Plant

The amount of the purchase order agreement not to exceed SEVENTY-THREE THOUSAND FIVE HUNDRED FORTY-EIGHT AND 00/100 DOLLARS (\$73,548.00) and The Jamar Company being lowest responsible bidder.

Passed by the Public Utility Board of the City of Rochester, Minnesota, this 22<sup>nd</sup> day of February, 2011.

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President

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Secretary